



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Councilmembers
Terry O. Gregory,
Cindy Chavez, and
David D. Cortese

SUBJECT: General Plan Amendment
GP02-07-04/GPT02-07-04

DATE: June 15, 2004

Approved /s/

Date 6-15-2004

COUNCIL DISTRICT: 7
SNI AREA: N/A

RECOMMENDATIONS

1. Approve the recommendation from the Planning Commission to change the *San José 2020 General Plan* Land Use/Transportation Diagram designation from Heavy Industrial, Combined Industrial/Commercial, Single-Family Detached and Attached Residential (8-16 DU/AC) to allow high density residential use (25-50 DU/AC) for property located at the southwest corner of Monterey Highway and Goble Lane on a 29.5 acre site. Specifically, create a new designation in the Communications Hill Specific Plan, “High Density Residential/Commercial Mix (25-50 DU/AC)” that would also allow up to 18,000 square feet of commercial/mixed use on the property. In addition, amend the text in the General Plan and the Communications Hill Specific Plan to reflect the proposed changes in Attachments A and B.
2. Request that City staff includes the following guidelines as necessary and appropriate in any proposals submitted during the Zoning and Permit application stages:
 - a. Develop open space opportunities on site in conformance to the City's Parkland Dedication Ordinance/Park Impact Ordinance. A turnkey park should be designed, sited and constructed to be accessible to the public, especially residents of Goble Lane and the Chateau La Salle Mobile Home Park;
 - b. Design neighborhood commercial uses on the ground floor of buildings that are oriented to Monterey Road, with residential units above;
 - c. Use high-quality architectural and site designs as well as good construction materials throughout the entire project area to attract viable new commercial businesses and create a livable residential area;

- d. Prohibit automobile repairs, detailing or similar vehicle uses in the commercial area of the property;
 - e. Prohibit commercial uses such as adult-oriented entertainment and other types of commercial uses that are incompatible with a family environment;
 - f. Establish a distinct buffer along the southern edge (through the use of setbacks, sound walls, building walls, and/or other techniques) to maintain the operational viability of the adjacent employment uses;
 - g. Include an affordable housing component of up to 200 residential units, contingent on the availability of federal, state and local grants for affordable housing;
3. a. Direct staff to monitor the property owner to ensure compliance with State laws and City ordinances pertaining to appropriate compensation of the existing residents of the Redwood Mobile Home Park.
- b. Accept the developer's commitment to offer each household in the Redwood Mobile Home Park a lump sum minimum of \$45,000 and maximum of \$50,000 (higher if required by State or City Code). (See Attachment C.)
4. If and when any new conversion proposal is submitted for property located on the west side of Monterey Road between the southern boundary of this project area and Capitol Expressway, then staff should first complete a comprehensive and thorough analysis of this larger area to identify appropriate locations, if any, for additional conversions. This analysis should be part of a specific plan or other formal studies involving public input.

BACKGROUND

On October 30, 2002 the Planning Commission voted to recommend approval of the proposed General Plan Amendment to the City Council. The applicant now wishes to go forward with the application.

City staff agrees that the proposed conversion to High Density Residential (25-50 DU/AC) could be considered compatible with the adjacent Chateau La Salle mobile home park. (See Planning Director's memo to the Mayor and City Council, May 18, 2004). Staff, however, continues to recommend no changes to the General Plan, citing the main reasons being a loss of employment land in the Monterey Corridor 4 Sub-area and the incompatibility between residential and industrial uses.

ANALYSIS

On April 6, 2004 the City Council approved "Framework, as a Guideline, for Evaluating Proposed Conversion of Employment Lands to Other Uses." The following is an analysis of the proposed amendment based on the established conversion criteria.

1. Economic Contribution

Construction of the Goble Lane project will create approximately 1,500 well-paying construction jobs with health benefits for the local economy of San José.

In addition, this project will generate several million dollars in revenues for the City of San José through property taxes, fees and permits.

2. Public Benefits

At the April 7, 2004 Council meeting, the Council specifies that “if a proposed conversion would convey a significant amount of land to the public for a use that is not a direct mitigation (police substation, fire training facility, etc.), then a conversion may be considered.” Public benefits could also include infrastructure improvements, creation of affordable housing and improvements to a blighted area.

The Monterey Corridor is seriously deficient of parkland. Conformance with the City's Park Dedication/Impact Ordinances will lead to the design and development of open space in conjunction with the project. This open space is much needed in the area and will have a positive impact in improving the quality of life and building a sense of community for all the residents in the surrounding area.

3. Compliance with Subarea Conversion Conditions

The adopted framework states that potential conversion should be considered for approval in subareas where conversion may (a) complete a transition to existing neighborhoods within or adjacent to the subarea, (b) buffer and provide uniformity to an existing neighborhood within or adjacent to the subarea, (c) further the City's smart growth policies, or (d) aid in revitalizing declining neighborhoods within or adjacent to the subarea.

a. Neighborhood Transition

Under the current General Plan designation, about 7.0 acres of the site are already designated as Residential (8-16 DU/AC). There is a 59-acre, 430-unit mobile home park, Chateau La Salle, directly adjacent to the northern and western parts of the site. The Communications Hill Planned Community is located to the south of the site. On the eastside, the current use is Mixed Residential/Commercial. Therefore, the proposed conversion should be considered for approval, because it would complete a transition to existing neighborhoods within or adjacent to the subarea.

b. Buffer and Uniformity

The Commercial/Industrial and Industrial designations are currently located at the rear of the 29.5-acre property. Since there is very limited street front visibility, the property owner has not been successful in attracting major commercial or industrial tenants.

More important, industrial uses are not compatible with, or welcomed by, the residents of the adjacent Chateau La Salle. Since 1989, the neighbors have strongly and consistently opposed commercial and/or industrial uses because of noises and traffic. They have

defeated applications to build a Caltrain maintenance yard, outdoor amphitheater and Federal Express facilities at the Goble Lane site or in the Tully/Monterey neighborhood.

In contrast, the current proposal for High Density Residential/Commercial Mix (25-50 DU/AC) would provide a buffer and uniformity to the existing residential neighborhood at Chateau La Salle.

c. Revitalization of Declining Neighborhoods

Currently, there is an old, 47-unit mobile home park (the Redwood Mobile Home Park) directly fronting the Monterey Road. Many of the units are not in good or well-maintained conditions. The remaining 13 acres of the property are being used for vehicle/trucking, equipment and tool storage, junkyards and other auto/equipment storage facilities.

The proposed conversion would allow the construction of 830 residential units (the General Plan allows up to 1,475 units) and up to 18,000 square feet of high-quality retail and commercial shops. It would not only revitalize the Goble Lane site and its immediate areas, but also provide a nice gateway to the Downtown.

4. Smart Growth, Housing Supply and Sustainable Neighborhoods

The City has an existing land use policy that encourages high-density, infill housing development close to public transit. The proposed High Density Residential/Commercial Mix (25-50 DU/AC) amendment would add about 830 high-quality homes along the Monterey Corridor to cut down traveling time or vehicle trips for local and commute workers. The site is served by four major bus routes and is close to a Caltrain station with a park-and-ride lot.

Most of the proposed single-family homes will be in the \$400,000 to \$500,000 price range, which is considered reasonable by the living standards of the Silicon Valley. The applicant has indicated that he intends to make available an affordable housing component of up to 200 of the housing units contingent on the availability of federal, state and local grants for affordable housing.

At present, there is very limited availability of neighborhood amenities in the immediate area of Goble Lane. Residents of the Redwood Mobile Home Park and Chateau La Salle have to cross the six-lane Monterey Road for basic daily supplies. The proposed High Density Residential/Commercial Mix (25-50 DU/AC) would provide up to 18,000 square feet of high-quality retail shops and amenities along the Monterey Road for safe access within walking distance. It will also provide some retail employment opportunities.

The benefits of the project extend beyond the immediate neighborhood of Goble Lane. It has received support from the Housing Action Coalition of Silicon Valley, Silicon Valley Manufacturing Group, Santa Clara/San Benito Counties Building Trades Council, Silicon Valley Chamber of Commerce, and the management and residents of Chateau La Salle. The property owner of the adjacent Raisch Cement Plant also supports the project.

While we recognize the positive benefits of the proposal, we are also mindful of its impact to the residents of Redwood Mobile Home Park. Therefore, the ROEM Corporation has offered to provide each household in the Redwood Mobile Home Park a lump sum minimum of \$45,000 and maximum of \$50,000 (higher if required by State or City Code). As of June 15, 2004, 38 of the 47 households have already agreed in writing to support the project.

Finally, in response to the concerns that the Goble Lane project will be the first domino to fall, I would like to be clear that I do not support piecemeal conversion of adjacent properties located on the west side of Monterey Road between the southern boundary of this project area and Capitol Expressway. Specifically, if and when any new conversion proposal is submitted for property located in this specified area, then staff should first complete a comprehensive and thorough analysis of this larger area to identify appropriate locations, if any, for additional conversions. This analysis should be part of a specific plan or other formal studies involving public input.

I urge you, my colleagues in the City Council, to adopt the recommendations.

Attachment A

PROPOSED GENERAL PLAN TEXT AMENDMENTS

Amend Chapter V. – Land Use/Transportation Diagram; Communications Hill Planned Community as follows:

1. **Pg. 158, P. 6:** Communications Hill is one of the most visually prominent features in Santa Clara Valley. The largely undeveloped slopes of Communications Hill itself total about 500 acres and rise over 300 feet above the surrounding Valley floor. The remainder of the Plan area consists of flat land located at the base of the hill, primarily the industrial/commercial and Industrial Park and planned high-density residential/mixed use area along Monterey Road. The Plan area lies along a major north/south transportation spine which provides strong connections to important City and regional destinations via commuter train, light rail line, freeway, expressway and major streets.
2. **Pg. 161, P. 1:** The objective of the Communications Hill Planned Community is to provide a comprehensive framework for development of a unified, high-density, pedestrian-oriented, urban community with a mix of uses on and around Communications Hill. New residential development is located along the ridge and at the foot of the steep slopes and consists of up to ~~4,000~~4,900 primarily multi-family residential units, a small Village Center retail area and supporting public facilities. In the flatland area in proximity to and along Monterey Road, areas have been designated for Heavy Industrial, Light Industrial ~~and Combined~~ Industrial/Commercial and High Density Residential/Commercial Mix (25-50 DU/AC) uses. The CHPC also seeks to make the most of the natural amenities within the area, including panoramic views, available from the hill.
3. **Pg. 162, P. 3:** The Communications Hill Planned Community (CHPC) contains a variety of new and existing land uses and land use patterns intended to create a unique mixed use community and to support the sense that the CHPC is a special place. The CHPC includes new multi-family neighborhoods, a small single-family area, a public school, parks, playfields, open spaces, and new and continuing industrial and commercial uses for the areas at the base of the along Monterey Road, as well as limited mixed residential and commercial uses. In addition, there are a variety of other existing uses around the base and lower slopes of the hill: mobile home parks, townhouses, single-family houses and a church. Developed properties were included within the CHPC boundaries to ensure a careful integration of the existing uses with the new.
4. **Pg. 162, P. 9:** The Communications Hill Planned Community permits up to ~~4,000~~4,900 dwelling units and requires a minimum density of 24 dwelling units per acre on each block of the multi-family blocks.
5. **Pg. 163, P. 2:** The area at the base of the hills along the southeast portion of the CHPC, adjacent to Monterey Road and the Southern Pacific railway tracks, would ~~maintain its existing~~ consist of industrial/commercial and some limited residential/mixed uses ~~emphasis~~. This area is separated from the proposed-residential uses atop the hill by open space, steep topography and Vista Park Drive and is proposed for Industrial Park, Light Industrial, Heavy

Industrial, ~~and~~ Combined Industrial/Commercial and High Density Residential/Commercial Mix (25-50 DU/AC) uses.

Attachment B

PROPOSED TEXT AMENDMENTS TO THE COMMUNICATIONS HILL SPECIFIC PLAN

Amend Communications Hill Specific Plan to add a proposed new Land Use Designation as follows:

High Density Residential/Commercial Mix (25-50 Dwelling Units Per Acre)

This density is typified by three-to four-story apartments or condominiums over parking, as well as vertical mixed use residential/commercial development. Along Monterey Road, neighborhood commercial uses are required on the ground floor with residential units above. The commercial component should be well integrated and well designed in the context of the overall development. To create a viable neighborhood commercial location, a minimum of 18,000 square feet of commercial space should be located along Monterey Road. It should be oriented to and accessible from Monterey to begin to create a more pedestrian-friendly environment along Monterey Road.

Amend Chapter 3 – The Plan; Communications Hill Specific Plan as follows:

1. **Pg. 11, P.2:** New residential development is located along the ridge and at the foot of the steep slopes. These well-defined neighborhoods edged by grassy slopes are interconnected by streets, stairs and pathways. At the highest point of the ridge there is a village center consisting of small shops, restaurants and services adjacent to a large public park and a parcel designated for a civic building. Downhill from a park circumscribing the AT&T facility there is a larch parcel for playfields and a school. Several smaller neighborhood parks are integrated into the residential fabric throughout the neighborhood. In the flatland of the existing quarry and along Monterey Road, areas have been designated for industrial park, heavy industrial, and combined industrial commercial. Just south of the Chateau Las Salle Mobile Home Park, a limited amount of new mixed residential and commercial uses are planned.

Amend Chapter 3.2 – Land Use; Communications Hill Specific Plan as follows:

2. **Pg. 57, P.2:** Where possible, the various land uses have been mixed and not segregated into separate enclaves. This is an important principal of the Plan. New neighborhoods primarily consist of multi-family housing and are located on the ridge or at the foothills. Small neighborhood parks occur within this residential fabric and serve adjacent residents. At the highest point of Communications Hill, the Plan combines a mix of uses – retail, office, commercial, parks, civic facilities and emergency services to make the village center. The hillsides are generally very steep and not developed but are utilized to define the edge of the neighborhoods. The plan proposes Heavy Industrial, Light Industrial, Combined Industrial/Commercial, Industrial Park and mixed use multi-family residential/commercial development along the railroad tracks in and adjacent to the existing quarry area. Grassy slopes buffer this area from the neighborhood uphill and serve as an amenity for both. The Land Use Map to the left shows proposed land uses for the entire study area.

3. **Pg. 57, Figure 38:** This figure, Table of New Proposed Uses, should be modified as follows:

Multi-Family Residential	2,500-4,000 DU	106.4 AC
<u>High Density Residential/Commercial Mix (25-50 DU/AC)</u>	<u>750-900 DU</u>	<u>29.5 AC</u>
Single-Family Residential	10 Lots	10.6 AC
Retail/Commercial	50,000 <u>68,000</u> s.f.	3 AC
Fire Station	Size to be determined	Up to 1.5 AC
Civic	Size to be determined	0.5 AC
School (with Playfields/Public Park = 10.2 AC)	Size to be determined	5.2 AC
Park (includes 5 acres School Playfields)	0.83 AC to 6.5 <u>8.5</u> AC	<u>23.3</u> AC
Terraces	1.2 AC to 7.5 AC	15 AC
Slopes	Not applicable	185 AC
Combined Industrial/Commercial	450,000 s.f.	28 AC
Heavy Industrial	180,000 s.f.	27 AC
Industrial Park	1,440,000 s.f.	55 AC

Amend Chapter 3.2.b – Design Standards; Density; Communications Hill Specific Plan as follows:

4. The Horizon 2000 General Plan states that multi-family housing on Communications Hill should range in density between 25 to ~~40~~50 units per acre. The Specific Plan permits up to ~~4000~~4900 units for all residential development and requires a density of at least 24 units per net developable acre on each block.

Amend Pg. 56, Figure 37: This figure, Land Use Map, should be amended to reflect the proposed amendments.

- Add land use designation High Density Residential/Commercial Mix (25-50 DU/AC).